"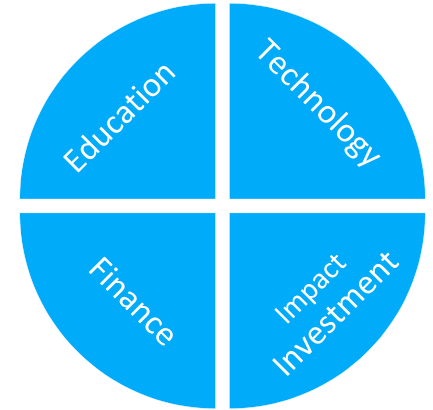We should be designing a society that, doesn't leave behind someone who accidentally got the wrong ball (lottery of birth)".

– Mr. Warren Buffet

Education

Technology

Finance

Impact Investment

Ve$tEdu

Alumni based lending platform to fund college education

"Education is not just a need, but a tool to alleviate poverty"

Our MVP

Meet: Amit & Dave

Ve$tEdu

AMIT

Born: India

Undergraduate: IIT, Delhi

Work Exp.: 4 Yrs

GMAT Score: 750

Graduate Study: Cornell MBA

Funding Need: $80K

Interest Rate: **13.5%**

DAVE

Born: USA

Undergraduate: UofR, Rochester NY

Work Exp.: 4 Yrs

GMAT Score: 750

Graduate Study: Cornell MBA

Funding Need: $80K

Interest Rate: **6.5%**

Human Capital with a drive to thrive in life is an asset worth investing.

Project Scope:
To predict importance of education-related variables for loan default

VeŜtEdu

❑ Finding co-relationship between the education level and credit worthiness of an individual

❑ We will use Lending Club loan dataset to train our model

Questions to be addressed

VeštEdu

1. Is there any close correlation between/among the **educational parameters** in predicting someone's **credit worthiness** given the training dataset.

2. Educational parameters could be

   a) education level

   b) studied major

   c) post graduation experience

   d) college attended etc.

3. Credit worthiness dimensions could be
   a) how much loan can be approved
   b) at what interest rates
   c) what loan terms (in years)
   d) what is the probability the loan can go default

Dataset

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Notes:

1. Dataset has 42K+ records with ~130 attributes
2. Employer Title replaces Employer Name for all loans listed after 9/23/2013
3. Some fields can be directly considered and some to be calculated/inferred

Following are some example fields: In the data dictionary file, I have tried to highlight the factors column that I think will be useful for our study. As we progress, we can add or delete more fields.

Factors	LoanStatNew	Description
	delinq_amnt	The past-due amount owed for the accounts on which the borrower is now delinquent.
	desc	Loan description provided by the borrower
	dti	A ratio calculated using the borrower's total monthly debt payments on the total debt obligations, excluding mortgage and the requested LC loan, divided by the borrow
	dti_joint	A ratio calculated using the co-borrowers' total monthly payments on the total debt obligations, excluding mortgages and the requested LC loan, divided by the co-borro
	earliest_cr_line	The month the borrower's earliest reported credit line was opened
	emp_length	Employment length in years. Possible values are between 0 and 10 where 0 means less than one year and 10 means ten or more years.
	emp_title	The job title supplied by the Borrower when applying for the loan.*
	fico_range_high	The upper boundary range the borrower's FICO at loan origination belongs to.
	fico_range_low	The lower boundary range the borrower's FICO at loan origination belongs to.
	funded_amnt	The total amount committed to that loan at that point in time.
	funded_amnt_inv	The total amount committed by investors for that loan at that point in time.
	grade	LC assigned loan grade
	home_ownership	The home ownership status provided by the borrower during registration or obtained from the credit report. Our values are: RENT, OWN, MORTGAGE, OTHER
	id	A unique LC assigned ID for the loan listing.
	il_util	Ratio of total current balance to high credit/credit limit on all install acct
	initial_list_status	The initial listing status of the loan. Possible values are – W, F
	inq_fi	Number of personal finance inquiries
	inq_last_12m	Number of credit inquiries in past 12 months

Backup Slides

Serviceable Available Market (SAM)

Ve$tEdu

1M+

INTERNATIONAL STUDENTS TO USA
/YEAR (TOTAL)
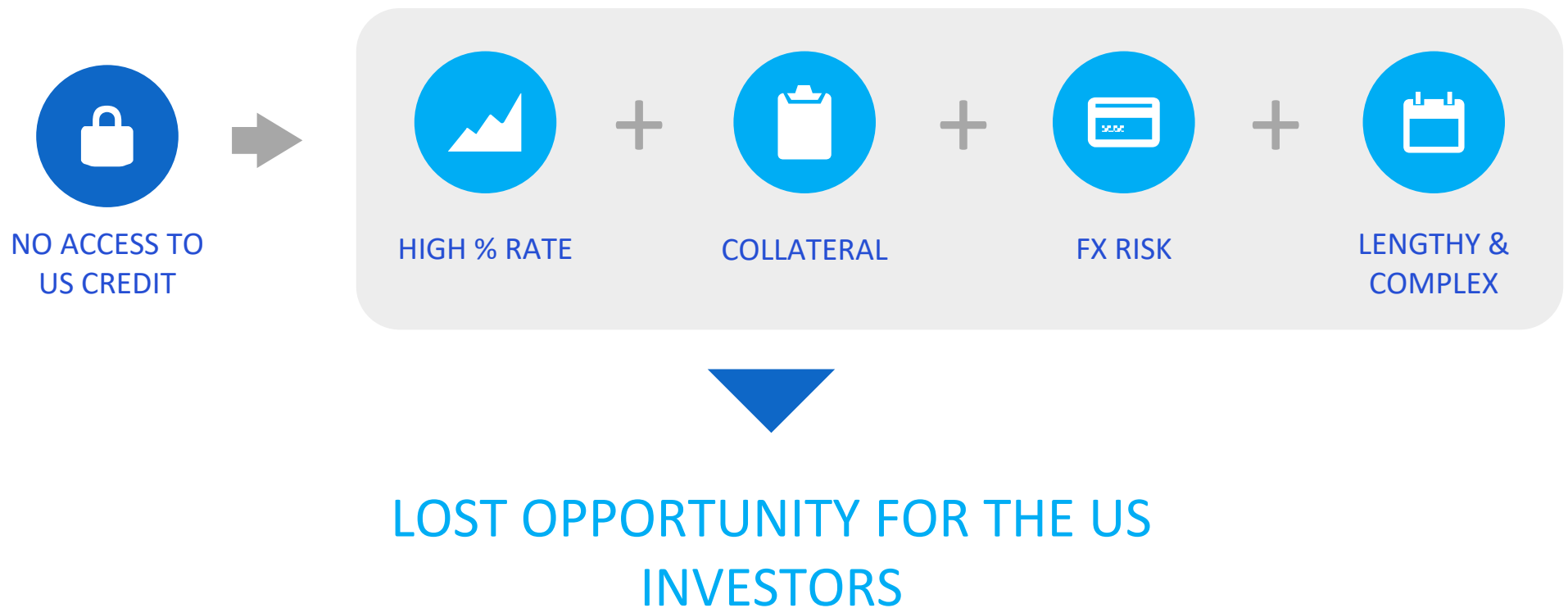Total Available Market*

500K+

MBA, FINANCE, STEM FIELD
Serviceable Available Market
(52% of the Total*)

$10B+

AVERAGE LOAN SIZE of
$20K/Year

*Ref: opendoors data portal

Problem: inefficient & painful process

Ve$tEdu

NO ACCESS TO
US CREDIT

HIGH % RATE + COLLATERAL + FX RISK + LENGTHY & COMPLEX

LOST OPPORTUNITY FOR THE US
INVESTORS

Our solution

Ve$tEdu

P2P PLATFORM

- Alumni based lending
- Alternate credit risk model

LOWER % RATE

- We source 'friendly' sources of capital by tapping into alumni networks ("Freeformers")

EASY & FAST

- Online (LinkedIn)
- 5 – 6 mins to fill in an application
- Followed by a 20 mins of phone /skype call

MENTORING & COACHING

- Improves repayment rates
- Borrowers becomes the investors

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VeStEdu

For any questions /clarifications,
please contact:

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Thank You